ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF PSI ENERGY INC. FOR) QUALIFYING APPROVAL OF A **FACILITY** POWER PURCHASE AGREEMENT WITH BGT **CAUSE NO. 42966** GREEN VALLEY ENERGY PROJECT, LLC,) INCLUDING RECOVERY OF COSTS THROUGH SUPPLEMENTAL ORDER THE FUEL CLAUSE AND THROUGH A REVISED APPROVED: JAN 1 4 2009 GREEN POWER RIDER; AND FOR APPROVAL OF A REVISED VOLUNTARY GREEN POWER RIDER. **INCLUDING ALTERNATIVE** REGULATORY PLAN FLEXIBILITY

BY THE COMMISSION:

David E. Ziegner, Commissioner Loraine L. Seyfried, Administrative Law Judge

On December 16, 2005, PSI Energy, Inc. filed a Verified Petition requesting the Indiana Utility Regulatory Commission ("Commission") approve a Qualifying Facility Purchased Power Agreement with BGT Green Valley Energy Project, LLC including recovery of costs through the quarterly fuel adjustment clause and through a revised Green Power Rider; and for approval of a revised voluntary Green Power Rider, including Alternative Regulatory Plan flexibility. Pursuant to notice as required by law, an evidentiary hearing was held on February 23, 2006. On March 22, 2006, the Commission issued an Order approving PSI Energy's GoGreen Power Rider 56 ("Rider 56") for a period of three years.

On December 29, 2008, Duke Energy Indiana, Inc., formerly PSI Energy, Inc. ("Duke") and the Indiana Office of the Utility Consumer Counselor ("OUCC") filed a Joint Motion and Stipulation in Support of Extending Authority ("Motion") requesting the Commission extend approval of Duke's Rider 56 for an additional four months, *i.e.*, until July 22, 2009. In support of the Motion, Duke and the OUCC note that Duke has filed a new Petition in Cause No. 43617 seeking approval to extend the current GoGreen Power program and to make certain enhancements to the program and in the marketing of carbon credits. However, the parties indicate that additional time beyond the March 22, 2009 expiration date for Rider 56 may be necessary to complete the proceedings in Cause No. 43617.

In further support of the Motion, Duke and the OUCC stipulated to the following: (1) continuation of the collaborative discussion and information exchange in Cause No. 43617; (2) Duke's GoGreen Power program offers many potential benefits including environmental benefits, customer awareness of green power, increased customer participation in the green power market, increased demand for and investment in renewable energy, and potential benefits to Indiana's economy; (3) termination of Duke's GoGreen Power program without a replacement program would work a hardship for current participants and would be harmful to Duke's green power efforts; and (4) it is in the public interest to extend the GoGreen Power program for an

additional four month period in order to allow consideration of Duke's petition in Cause No. 43617.

The Commission hereby finds that the Motion should be granted and Duke's Rider 56 should be extended until July 22, 2009.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

- 1. The Joint Motion and Stipulation in Support of Extending Authority filed by Duke and the OUCC is hereby granted. Approval of Duke's GoGreen Power Rider 56, as authorized in the Commission's March 22, 2006 Order in this Cause, is extended for a four month period to and including July 22, 2009.
 - 2. This Order shall be effective on and after the date of its approval.

HARDY, GOLC, LANDIS, SERVER, AND ZIEGNER CONCUR:

APPROVED: JAN 1 4 2009

I hereby certify that the above is a true and correct copy of the Order as approved.

Brenda A. Howe

Secretary to the Commission